

**RESOLUTION \_\_\_\_\_**

**A RESOLUTION OF THE BROADWATER COUNTY COMMISSIONERS PLEDGING TAX INCREMENT DERIVED FROM THE WHEATLAND TARGETED ECONOMIC DEVELOPMENT DISTRICT TO THE PAYMENT OF A REVENUE BOND TO BE ISSUED BY THE WHEATLAND WATER AND SEWER DISTRICT FOR THE PURPOSE OF FINANCING THE DESIGN AND CONSTRUCTION OF A DISTRICT-OWNED AND OPERATED SEWER SYSTEM AND THE COSTS OF ISSUING SAID REVENUE BOND.**

BE IT RESOLVED by the Board of County Commissioners of Broadwater County, Montana as follows:

WHEREAS, the County is authorized, pursuant to County Ordinance No. 2019-B and Title 7, Chapter 15, Part 42, MCA, to pledge TIF revenues for the payment of debt service, in whole or in part, due on revenue bonds issued to pay for TEDD projects;

WHEREAS, following a duly noticed regular meeting and pursuant to Resolution No. 2020-6 adopted March 6, 2020, the County approved the District Project (as defined in Resolution No. 2020-6) as a tax increment finance (“TIF”) project of the Wheatland Targeted Economic Development District (the “Wheatland TEDD”);

WHEREAS, Resolution No. 2020-6 authorized the District to proceed with determining the terms for the financing of the Project through the issuance of a bond secured in part by TIF funds generated by the Wheatland TEDD and to return to the County with the proposed final terms for such TIF-secured bonds;

WHEREAS, the County declared in Resolution No. 2020-6 that upon presentment by the District of final terms for such TIF-secured bonds, the County would then provide final approval of the proposed TIF-secured bond sale as part of a resolution concurring in the issuance of such TIF-secured bonds and pledging TIF revenues to the payment of principal and interest due thereon;

WHEREAS, the District has secured a Letter of Commitment from the Bank of Red Lodge, a Branch of Bank of Bridger, N.A. (attached hereto as Exhibit A, hereinafter the “Commitment Letter”), committing to lend \$1,000,000 to finance a portion of the District’s sewer Project at an interest rate of 4.5%, with a 20 year term, interest only payments for the first 18 months, and thereafter annual payments of principal and interest totaling \$79,840 (the “Revenue Bond”);

WHEREAS, a condition precedent to closing on the Revenue Bond is adoption by the County of a resolution pledging annual Wheatland TEDD tax increment funds up to the amount of the annual debt service on the Revenue Bond;

WHEREAS, the County finds that the District has satisfied the conditions detailed in Resolution No. 2020-6 and thus now hereby intends to pledge Wheatland TEDD tax increment funds to the payment of the Revenue Bond.

NOW, THEREFORE BE IT RESOLVED, by the County Commissioners of the County of Broadwater, Montana (the "County") as follows:

Section 1. Pledge of Wheatland TEDD TIF Revenues. The County, pursuant to § 7-15-4290(1), MCA, Resolution No. 2020-6, and County Ordinance No. 2019-B hereby pledges the tax increment derived from the Wheatland Targeted Economic Development District in an annual amount of up to \$79,840 for the payment of the Revenue Bond to be issued by the District for the purpose of financing the design and construction of a District owned and operated sewer system, and the costs of issuing said Revenue Bond pursuant to the terms detailed in the Commitment Letter attached hereto as Exhibit A and subject to the terms and conditions as shall be detailed in the final Loan Agreement entered into between the District and the Bank of Red Lodge, a Branch of Bank of Bridger, N.A.

Section 2. Duration of TIF Pledge. This pledge shall be binding on the County and remain in full force and effect until the County has received written confirmation from the Bank of Red Lodge, a Branch of Bank of Bridger, N.A. that the Revenue Bond has been paid in full.

Section 3. Notification of Pledge. The County Clerk and Recorder is instructed to provide a copy of this Resolution No. \_\_\_ and Resolution No. 2020-6 to the Montana Department of Revenue.

Passed and adopted this \_\_\_ day of \_\_\_\_\_, 2020, by the Broadwater County Commission.

BOARD OF COUNTY COMMISSIONERS  
BROADWATER COUNTY

\_\_\_\_\_  
\_\_\_\_\_, Chairman

ATTEST:

\_\_\_\_\_  
Doug Ellis, Clerk & Recorder/Treasurer